8/023/0015 CC: Wayne





## **USDA Forest Service**

# Memo

To:

Wayne Western

From:

David Ream

CC:

Date:

8/13/2009

Re:

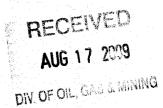
Rock Creek Gypsum

Wayne,

Here are the documents that Gary Burningham gave to us on his mining proposal.

If you have any question please feel free to give me a call at 801-236-3445.

Dave



STANDARD FORM 299 (6/99) Prescribed by DOI/USDA/DOT P.L. 96-487 and Federal Register Notice 5-22-95

# APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS

FORM APPROVED OMB NO. 0596-0082

	FEDERAL LANDS			
<b>5.1.</b>		FOR AGENCY USE ONLY		
NOTE: Before completing and filing the application, the and schedule a preapplication meeting with re processing the application. Each agency may	Application Number			
preparing and processing the application. Mai the application can be completed at the preap	ny times, with the help of the agency representative,	Date Filed June 30, 2009		
Name and address of applicant (include zip code)     Rock Creek Gypsum, LLC	Name, title, and address of authorized agent if different from item 1 (include zip code)	3. Telephone (area code) 801-756-8138		
95 North 200 East	Gary Burningham Box 974	Applicant		
American Fork, Utah 84003	American Fork, Utah 84003	Authorized Agent		
4. As applicant are you? (check one) a. ☐ Individual b. ☐ Corporation* c. ☒ Partnership/Association* d. ☐ State Government/State Agency e. ☐ Local Government f. ☐ Federal Agency	5. Specify what application is for: (check one) a.  New authorization b. Renewing existing authorization No. c. Amend existing authorization No. d. Assign existing authorization No. e. Existing use for which no authorization f. Other*	has been received *		
* If checked, complete supplemental page	* If checked, provide details under item 7			
6. If an individual, or partnership are you a citizen(s) of t	the United States? 🛛 Yes 🔲 No			
7. Project description (describe in detail): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (Length, width, grading, etc.); (d) term of years needed: (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (Attach additional sheets, if additional space is needed.) This application is submitted for the purpose of renewing the existing permit as ordered in the FEIS granting access to the McFarlane #1, McFarlane #4, and Little Doctor mining claims. As such we propose the following: 1) We propose using the existing road. See attachment for continued discussion.				
8. Attach a map covering area and show location of pro				
State or Local government approval:     Attac				
10. Nonreturnable application fee: Attached	Not required     □	(F. H H. in dia about a many)		
11. Does project cross international boundary or affect in	nternational waterways?   Yes   No	(if "yes," indicate on map)		
12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.				

We own and operate similar operations on private, BLM, and State properties. For example, we mine clay in southwest Utah where we maintain 26 miles of dirt road from the mine area to the highway. The road in question already exists, our focus is maintaining the road as per the specifications in the FEIS issued in 1995.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCIA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

20. Name all the Department(s)/Agency(ies) where this application is being filed. U.S.D.A. Forest Service

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant

Date

30 2009

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

### GENERAL INFORMATION ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

- 1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
- 2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
- 3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
- 4. Systems for the transmission and distribution of electric energy.
- 5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
- 6. Improved right-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
- Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

Department of Transportation Federal Aviation Administration Alaska Region AAL-4, 222 West 7th Ave., Box 14 Anchorage, Alaska 99513-7587 Telephone: (907) 271-5285

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

#### OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual department/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

SPECIFIC INSTRUCTIONS (Items not listed are self-explanatory)

7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.

- are required.
- 8 Generally, the map must show the section(s), township(s), and range(s) within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
- 9, 10, and 12 The responsible agency will provide additional instructions.

13a. Describe other reasonable alternative routes and modes considered.
N/AAs per 1995 FEIS.
b. Why were these alternatives not selected? N/AAs per 1995 FEIS.
c. Give explanation as to why it is necessary to cross Federal Lands.
Utilizing existing road as determined in the 1995 FEIS.
14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number,
date, code, or name) N/A
15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and
maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.  Road is necessary to access and haul material from the mineral estate. The estimated annual maintenance cost is
between \$5,000 and \$10,000.
16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles. See 1995 FEIS.
17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality
and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability. See 1995 FEIS.
18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened
and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals. See 1995 FEIS.

- ファカファカフタ) Maintenance will be performed by operator.

  Maintenance will be performed in a manner to provide adequate drainage.

  Road will remained locked to restrict access to operator.

- Ten to forty years.

  May 15 to November 14 each year as per mitigation plan.
  30,000 to 250,000 tons annually.

  Existing road. e)
  - f)
  - g)
  - N/A. h)



USDA, Forest Service

# PLAN OF OPERATIONS FOR MINING ACTIVITIES ON NATIONAL FOREST SYSTEM LANDS

FS-2800-5 OMB NO. 0596-0022

<u>USE OF THIS FORM IS OPTIONAL!</u> 1<sup>st</sup> TIME USERS SHOULD DIRECT QUESTIONS REGARDING THIS FORM OR REGULATIONS (36 CFR 228A) TO THE FOREST SERVICE DISTRICT OFFICE NEAREST YOUR AREA OF INTEREST.

Su	bmitted by: Signature	<b>Member</b> Title	June 30, 2009  Date (mm/dd/yy)			
Pla	n Received by:	ASTRKT RANGE	/ 8/7/09 /Date (mm/dd/yy)			
	I. GENERAL II	NFORMATION				
A.	Name of Mine/Project: Nebo Gypsum					
B.	Type of Operation: Gypsum Mine					
		ill, exploration, development, pr	oduction, other)			
C.	Is this a (⊠new/□continuing) operation? (check one). If continuing a previous operation, this plan (□replaces/□modifies/□supplements) a previous plan of operations. (check one)					
D.	Proposed start-up date (mm/dd/yy) of operation: _S					
E.	Expected total duration of this operation: 10-40		pleted			
F.						
G	2 4 Voors A flow D					
	II. PRIN	CIPALS				
A. 95	Name, address and phone number of operator: North 200 East American Fork, Utah 84003	Rock Creek Gypsum, LLC	(801)756-8138			
В.	Name, address, and phone number of authorized Attach authorization to act on behalf of operator.	field representative (if oth SAME	er than the operator).			
С.	Name, address and phone number of owners of t	he claims (if different than	the operator): SAME			
D.	Name, address and phone number of any other letheir involvement with the operation, if applicable	essees, assigns, agents, etc. le:	, and briefly describe			
υ. 	their involvement with the operation, if applicable	essees, assigns, agents, etc. le:	, and brie			

1	l	D	D	$\cap$	D	F	D	T	/	0	P	Δ	P	F	Δ	
- 1		_	К			ᆮ	П				т	. ~			-	

MC#	Name	Section	Township	Range
	McFarlane #1	22	12South	1East
	McFarlane #2	23	12South	1East
	Little Doctor	26,27	12South	1East
	IV. DESCRIPTI	ON OF THE OPERA	ATION	
boundar Specify and whe such as and size	Show on a map (USGS quadrangies, if applicable, and all access which Forest Service roads will be the new construction is necessary, widths, grades, etc., location and of vehicles and equipment that with a will be accessed using the existing roads.	needs such as roads be used, where mainter For new construction, size of culverts, descri- ill use the access route	and trails, on a nance or reconstru- include construc- be maintenance p s.	nd off the claim. action is proposed, tion specifications blans, and the type
Inc mine are	a will be accessed using the existing to			
from a set of			· · · · · · · · · · · · · · · · · · ·	
	nine spots. These spots are outlined or	n the accompanying map.	We anticipate only	hole F needing
roadway deve	nine spots. These spots are outlined or elopment. We propose to make the nec	n the accompanying map. cessary reclamation to th	We anticipate only s small area as soon	hole F needing
roadway deve	nine spots. These spots are outlined or elopment. We propose to make the nec sing areas A – E will cause a minimum	n the accompanying map. cessary reclamation to the of damage as these are re	We anticipate only s small area as soon adily accessible.	hole F needing as it is feasible to
roadway deve do so. Access Mining will c	nine spots. These spots are outlined or elopment. We propose to make the nec	n the accompanying map. cessary reclamation to thi of damage as these are re egather during the drillin	We anticipate only s small area as soon addily accessible. g campaign. These	hole F needing as it is feasible to decisions are for the
do so. Access Mining will c minor details	nine spots. These spots are outlined or elopment. We propose to make the nec sing areas A – E will cause a minimum ommence based on the information we	n the accompanying map. cessary reclamation to the of damage as these are re e gather during the drillin ation will commence base	We anticipate only s small area as soon eadily accessible. g campaign. These d upon the original	hole F needing as it is feasible to decisions are for the
do so. Access Mining will c minor details	nine spots. These spots are outlined or elopment. We propose to make the necessing areas $A - E$ will cause a minimum ommence based on the information we of the operation only. The main operation	n the accompanying map. cessary reclamation to the of damage as these are re e gather during the drillin ation will commence base	We anticipate only s small area as soon eadily accessible. g campaign. These d upon the original	hole F needing as it is feasible to decisions are for the

C. <b>Project Description.</b> Describe all aspects of the operation including mining, milling, and
exploration methods, materials, equipment, workforce, construction and operation schedule, power
requirements, how clearing will be accomplished, topsoil stockpile, waste rock placement, tailings
disposal, proposed number of drillholes and depth, depth of proposed suction dredging, and how
gravels will be replaced, etc. Calculate production rates of ore. Include justification and
gravers will be replaced, etc. Calculate production rates of orc. include justification and
calculations for settling pond capacities, and the size of runoff diversion channels.
Once drilling is completed and the details of the deposit can be ascertained (quantities, quality etc.) we will blast,
the material. Once the material is blasted, we will crush the material to a 3" minus or other size which is suitable for
handling. This material will then be transported to the bottom of the hill and stockpiled for transport to customers,
the railhead, or contractors should further processing be required. This production could vary from 30,000 tons per
year to 250,000 tons per year depending on demand and usage. This process is really quite simple with most of the
Mining being done during the months of June through October.
For the drilling operation itself, we will use a small (approximately 30 crisib) trackment air drill sampling will be performed as 5 intensels and drill shavings will be put back into the holes to Recill tham. The unit
his self-contained duct collector to mitigate duct.
THIS SELF - CONTAINED CAUSE COLLECTION TO MITHIGHTE CHAM.

D.	<b>Equipment and Vehicles.</b> Describe that which is proposed for use in your operation (Examples: drill, dozer, wash plant, mill, etc.). Include: sizes, capacity, frequency of use, etc.						
W	e will hire qualified, documented firms to perform the drilling and blasting portions of this operation. From this						
	point we will mine the material using a Caterpillar 345 excavator to put the material into a Komatsu 550 track						
	ount jaw crusher. Once the crushing is completed, the material will be loaded with Caterpillar 980G loaders onto						
	terpillar 740 haul trucks for transport down the mountain to the stockpile area. The road will be graded and						
Ma	aintained as necessary with a Caterpillar D8 bulldozer and a Caterpillar 140G grader. From this point, material						
Wi	ill be loaded on customer trucks with Caterpillar 980G loader for delivery to the various users.						
E.	Structures. Include information about fixed or portable structures or facilities planned for the operation. Show locations on the map. Include such things as living quarters, storage sheds, mill buildings, thickener tanks, fuel storage, powder magazines, pipelines, water diversions, trailers, sanitation facilities including sewage disposal, etc. Include engineering design and geotechnical information for project facilities, justification and calculations for sizing of tanks, pipelines and water diversions, etc.  The thousand gallon fuel tank including necessary spill containment.						
	V. ENVIRONMENTAL PROTECTION MEASURES (SEE 36 CFR 228.8)						
A.	Air Quality. Describe measures proposed to minimize impacts on air quality such as obtaining a burning permit for slash disposal or dust abatement on roads.  E Mitigation Plan as per 1995 FEIS Appendix AAttached.						

В.	<b>Water Quality.</b> State how applicable state and federal water quality standards will be met. Describe measures or management practices to be used to minimize water quality impacts and meet applicable standards.
	1. State whether water is to be used in the operation, and describe the quantity, source, methods and design of diversions, storage, use, disposal, and treatment facilities. Include assumptions for sizing water conveyance or storage facilities.
	2. Describe methods to control erosion and surface water runoff from all disturbed areas, including waste and tailings dumps.
	3. Describe proposed surface water and groundwater quality monitoring, if required, to demonstrate compliance with federal or state water quality standards.
	4. Describe the measures to be used to minimize potential water quality impacts during seasonal closures, or for a temporary cessation of operations.
Soc	5. If land application is proposed for waste water disposal, the location and operation of the land application system must be described. Also describe how vegetation, soil, and surface and groundwater quality will be protected if land application is used.
See	Mitigation Plan as per 1995 FEIS Appendix AAttached.
	<b>Solid Wastes.</b> Describe the quantity and the physical and chemical characteristics of solid waste produced by the operation. Describe how the wastes will be disposed of including location and design of facilities, or treated so as to minimize adverse impacts.  Example 1995 FEIS Appendix AAttached.
,	
D.	Scenic Values. Describe protection of scenic values such as screening, slash disposal, or timely reclamation.
Se	e Mitigation Plan as per 1995 FEIS Appendix AAttached.

E.	<b>Fish and Wildlife.</b> Describe measures to maintain and protect fisheries and wildlife, and their habitat (includes threatened, endangered, and sensitive species) affected by the operations.
Sec	Mitigation Plan as per 1995 FEIS Appendix AAttached.
	· · · · · · · · · · · · · · · · · · ·
F.	Cultural Resources. Describe measures for protecting known historic and archeological values, or new sites in the project area.  Mitigaion Plan as per 1995 FEIS Appendix AAttached.
G.	Hazardous Substances.
	1. Identify the type and volume of all hazardous materials and toxic substances which will be used or generated in the operations including cyanide, solvents, petroleum products, mill, process and laboratory reagents.
	00 gallon fuel tank will be contained and regulated as per MSHA regulations and monitored by MSHA and the
Ut	ah Division of Oil, Gas, and Mining.
	2. For each material or substance, describe the methods, volume, and frequency of transport (include type of containers and vehicles), procedures for use of materials or substances, methods volume, and containers for disposal of materials and substances, security (fencing), identification (signing/labeling), or other special operations requirements necessary to conduct the proposed operations.
Se	e 1 above.
`	

	or the release of a toxic substance. This includes plans for spill prevention, containment,
Se	notification, and cleanup.
	тавотс.
	Reclamation. Describe the annual and final reclamation standards based on the anticipated schedule for construction, operations, and project closure. Include such items as the removal of structures and facilities including bridges and culverts, a revegetation plan, permanent containment of mine tailings, waste, or sludges which pose a threat of a release into the environment, closing ponds and eliminating standing water, a final surface shaping plan, and post operations monitoring and maintenance plans.  **Eclamation will be completed as per the existing mine plan as submitted and approved by the Utah Divison of Oil, as, and Mining.
A.	VI. FOREST SERVICE EVALUATION OF PLAN OF OPERATIONS Required changes/modifications/special mitigation for plan of operations:
	·

B. **Bond.** Reclamation of all disturbances connected with this plan of operations is covered by Reclamation Performance Bond No. , dated (mm/dd/yy) , signed by (Principal) and (Surety), for the penal sum of . This Reclamation Performance Bond is a guarantee of faithful performance with the terms and conditions listed below, and with the reclamation requirements agreed upon in the plan of operations. This Reclamation Performance Bond also extends to and includes any unauthorized activities conducted in connection with this operation.

The bond amount for this Reclamation Performance Bond was based on a bond calculation worksheet. The bond amount may be adjusted during the term of this proposed plan of operations in response to changes in the operations or to changes in the economy. Both the Reclamation Performance Bond and the bond calculation worksheet are attached to and made part of this plan of operations.

Acceptable bond securities (subject to change) include:

- 1. Negotiable Treasury bills and notes which are unconditionally guaranteed as to both principle and interest in an amount equal at their par value to the penal sum of the bond; or
- 2. Certified or cashier's check, bank draft, Post Office money order, cash, assigned certificate of deposit, assigned savings account, blanket bond, or an irrevocable letter of credit equal to the penal sum of the bond.

#### VII. TERMS AND CONDITIONS

- A. If a bond is required, it must be furnished before approval of the plan of operations.
- B. Information provided with this plan marked confidential will be treated in accordance with the agency's laws, rules, and regulations.
- C. Approval of this plan does not constitute certification of ownership to any person named herein and/or recognition of the validity of any mining claim named herein.
- D. Approval of this plan does not relieve me of my responsibility to comply with other applicable state or federal laws, rules, or regulations.
- E. If previously undiscovered cultural resources (historic or prehistoric objects, artifacts, or sites) are exposed as a result of operations, those operations will not proceed until notification is received from the Authorized Officer that provisions for mitigating unforeseen impacts as required by 36 CFR 228.4(e) and 36 CFR 800 have been complied with.
- F. This plan of operations has been approved for a period of or until (mm/dd/yy). A new or revised plan must be submitted in accordance with 36 CFR part 228, subpart A, if operations are to be continued after that time period.

#### VIII. OPERATING PLAN ACCEPTANCE

☐I/☐We have reviewed and agreed to comply with all condition including the required changes, modifications, special mitigation, as	
□I/□We understand that the bond will not be released until the A written approval.	uthorized Officer in charge gives
□Operator (or □Authorized Representative)	(Date) (mm/dd/yy)
IX. OPERATING PLAN APPRO	DVAL
(Name)	(Title)
(Authorized Officer)	(Date) (mm/dd/yy)

"According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB number. The valid OMB number for this information collection is 0596-0022. The time required to complete this information collection is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information."



### State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAELR. STYLICE Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

June 15, 2009

Robert Steele and Tony Peck 1055 North 400 East Nephi, Utah 84648

Subject: Conditional Approval of Amended Notice to Commence Large Mining Operations.

Robert Steel & Tony Peck, Nephi Gypsum Quarry, M/023/011, Juab County, Utah

Dear Messrs. Steele and Peck:

The Division has completed a review of the amendment to the referenced Notice of intention to commence large mining operations, received June 15, 2009. Prior to issuing final approval, we require that you provide us with:

By June 30, 2009, please submit two color copies of the map (the Division only has a faxed version). When final approval is issued, one copy will be stamped "approved" and returned to you for your records.

Thank you for your cooperation in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5261 or Wayne Western at 538-5263.

Sincerely,

Paul B. Baker

Minerals Regulatory Program



1) Write a letter registering Jerry as an eyent

#### APPENDIX A

Each of the following items are subject to further negotiation, and will be modified or eliminated if the proponent can demonstrate to the satisfaction of the Forest Service that they unreasonably restrict his ability to mine.

#### **OPERATIONS**

- 1. It is understood between the Forest Service and the proponent that the planned operation is that set forth in the Plan of Operations dated July 13, 1990, as amended by the statement of amended operations presented in the letter from the proponent's attorney in the late fall, 1994.
- 2. Proponent shall annually submit a written Plan of Operations identifying foreseeable changes from the previous year's operation.
- 3. Proponent agrees that all construction and mining operations will be conducted according to state air quality standards.
- 4. Proponent agrees to apply water as necessary on unpaved access routes, construction mining areas, haul roads and any other areas involved in the mining operation and located on National Forest System lands.
- -5. Highwalls shall be stabilized by backfilling or rounding to 45 degrees or less, where feasible. The land should then be reshaped to or near its original contour, and topsoil and suitable overburden should be redistributed.
- 6. If the Forest Service determines that the height of the pit walls in relation to the overall operation will not provide for lateral stability, then the Forest Service will address this by:
  - a. Negotiation with proponent to change pit wall height;

or

- b. Increase in the amount of surety bond to cover costs of potential resource damage to adjacent National Forest Systems lands.
- 7. Operations must be designed and conducted in a manner which minimizes cut slopes and disturbed areas. Cut slopes should be stabilized wherever possible by seeding with a Forest Service approved mixture.
- 8. Operations should be designed and conducted in a manner which reduces visual impacts whenever possible.

- 9. Operations shall be designed and operated so as to minimize erosion and control sedimentation. Berms shall be constructed around disturbed locations, and settlement pond(s) utilized, as appropriate. Top soil stockpiles and overburden dumps should be carefully selected to minimize erosion and sedimentation. Drainage along roadways must be designed to intercept surface runoff. Proponent shall insure there is no discharge from the operation to the stream.
- 10. The Forest Service will conduct a water quality monitoring program to assure that federal and state laws and regulations are being met.
- 11. Operations are subject to existing water rights, including those exercised by the Gardner Canyon Irrigation Company.
- 12. Proponent shall not impact wetlands without first obtaining a Clean Water Act Section 404 permit.
- 13. Petroleum products and chemicals must be stored in durable or impermeable containers.
- 14. All oil and petroleum products will be removed and disposed of according to state and federal regulations. All garbage and waste will be properly disposed of off National Forest System lands. The working area should be kept clean at all times.
- 15. Equipment service areas must be located away from streams in order to prevent contamination of surface or ground waters.
- 16. Operations may only be conducted from April 1 to November 15 in order to reduce the impact to primary big-game winter range areas as requested by the Utah Division of Wildlife Resources.

(Start-up before May 15 requires the permittee to provide notice five business days before starting operations. If there are concerns that operations will impact wintering big-game, operator will agree to wait until May 15.)

- 17. All improvements and equipment must be removed from National Forest System lands when no longer necessary to mining operations.
- 18. The proponent shall place signs at appropriate locations explaining the mining activity and advising visitors of safety precautions.
- 19. A bond in the amount of \$40,000 shall be posted prior to the commencement of any ground-disturbing activities. (36 C.F.R. 251.56(e).)

#### RECLAMATION

- 1. All disturbed areas must be reclaimed as soon as practical. This includes exploration and haul roads, which shall be reclaimed when no longer needed for access.
- 2. On-site roads and pads shall be reclaimed when they are no longer needed for operations.
- 3. Topsoil stockpiles in place for two years or more, or located where erosion could occur, must be seeded.
  - 4. Reclamation must occur in a timely, concurrent fashion.
- 5. There shall be restoration of wildlife habitat for big-game winter range where feasible.
- 6. Topsoil should be stockpiled during active operations. After final grading, soil materials shall then be redistributed on a stable surface, so as to minimize erosion, prevent undue compaction and promote revegetation.
- 7. Revegetation shall be accomplished using a Forest Service approved seed mixture.
- 8. Adequate and timely (2-3 weeks) surface revegetation shall be conducted on any landslides which are attributable to mining operations. The Forest Service will specify the seed mixture.
- 9. Proponent shall undertake appropriate temporary reclamation at times of seasonal shutdown in order to mitigate erosion, runoff and sedimentation problems.
- 10. If natural channels have been affected by mining operations, then reclamation must be performed such that the channels will be left in a stable condition with respect to actual and reasonably expected water flow so as to avoid or minimize future damage to the hydrologic system.

To whom it may concern, I Robert L Steele (president of Triumph Mining Corporation) hereby authorize Rock Creek Gypsum the right of access and of other mining activities related to our bonding on Gardner canyon gypsum mine site, for a period of nine months.

Robert L Steele

8/11/2009

ENTRY NO. 00257049
05/13/2009 10:11:08 AM B: 0533 P: 0478
Affidavit with Death Certificate PAGE 1 / 2
CRAIG J. SPERRY, JUAB COUNTY RECORDER
FEE \$ 21.00 BY ROCK CREEK GYPSUM, LLC

## **Affidavit to Terminate Joint Tenancy**

Jean H. Dansie, being first sworn upon oath, deposes and says: that she is a citizen of the U.S.A. and is over the age of twenty one years; that she knows of his/her own knowledge that Jack L. Dansie, who appears in the certified copy of the death certificate attached hereto, is the same person who appears as the Lessee in that certain Mineral Lease Agreement recorded 9/19/1990, as Entry No. 193304, in Book 343, at Page 852, records of Juab County, Utah.

The legal description appearing on said deed covers the following described real property:

Macfarlane No. 1, Macfarlane No. 4, and Little Doctor Lode, Survey #6823, embracing a portion of Section 22, Section 23, Section 26 and Section 27, Township 12 South, Range 1 East, Salt Lake Base and Meridian, Juab County, State of Utah.

Together with any and all rights of access appurtenant to subject property.

Dated this 10 TH day of March, 2009.

Jean H. Dansie

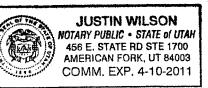
State of Utah )

:SS

County of Utah )

On the 10 mg day of March, 2009, personally appeared before me, Jean H. Danie, the signer of the within instrument who duly acknowledged before me that she executed the same.

Notary Public



## Quit Claim Deed

Robert L. Steele aka Robert Steele and Christy K. Steele aka Christy Steele, Grantor

of Nephi, County of Juab hereby QUIT-CLAIMS to

ROCK CREEK GYPSUM, LLC,

grantee,

of 95 North 200 East, American Fork, Utah 84003, for the sum of TEN DOLLARS (\$10.00) AND OTHER GOOD AND VALUABLE CONSIDERATION, the following described tract of land in Juab County, State of Utah:

Macfarlane No. 1, Macfarlane No. 4, and Little Doctor Lode, Survey #6823, embracing a portion of Section 22, Section 23, Section 26 and Section 27, Township 12 South, Range 1 East, Salt Lake Base and Meridian, Juab County, State of Utah.

Together with any and all rights of access appurtenant to subject property.

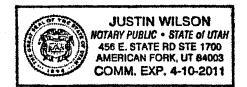
1000 1 0000

For reference purposes only: TAX I.D. NO: SA00-0033 Caval # 7/4

Dated this the	IR day of iv	Tarch, 2009)	Pober Heile
		Robert L. Steele aka	Robert Steele
		Christy K. Steele aka	Christy Steele
State of Utah			08 AM B: 0533 P: 0481
State of Otal	;ss	Quit Claim Deed PAG CRAIG J. SPERRY, JU FEE \$ 19.00 BY ROCK	AB COUNTY RECORDER CREEK GYPSUM, LLC
County of	· )		

On the MTM day of March, 2009, personally appeared before me, Robert L. Steele aka Robert Steele and Christy K. Steele aka Christy Steele, the signer(s) of the above instrument, who duly acknowledged to me that he executed the same.

Notary Public



ENTRY NO. 00257052
05/13/2009 10:11:08 AM B: 0533 P: 0482
Trust Deed PAGE 1 / 5
CRAIG J. SPERRY, JUAB COUNTY RECORDER
FEE \$ 33.00 BY ROCK CREEK GYPSUM, LLC

# TRUST DEED WITH ASSIGNMENT OF RENTS

THIS TRUST DEED, made this 25th day of June, 2008, between Rock Creek Gypsum L.L.C., a Utah limited liability company, TRUSTORS, whose address is 95 North 200 West, American Fork, Utah 84003, with SELECT TITLE INSURANCE AGENCY, INC., as TRUSTEE, and Triumph Mining Corporation, as BENEFICIARY.

WITNESSETH: That Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property, situated in UTAH County, State of Utah:

Macfarlane No. 1, Macfarlane No. 4, and Little Doctor Lode, Survey #6823, embracing a portion of Section 22, Section 23, Section 26 and Section 27, Township 12 South, Range 1 East, Salt Lake Base and Meridian, Juab County, State of Utah.

Together with any and all rights of access appurtenant to subject property.

Together with all buildings, fixtures, and improvements, thereon and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto belonging, now or hereafter used or enjoyed with said property, or any part thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits;

FOR THE PURPOSE OF SECURING (1) payment of the indebtedness evidenced by a **Property Purchase Agreement** of even date herewith, in the principal sum of \$6,000,000.00, made by Trustor, payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof; (2) the performance of each agreement of Trustor herein contained; (3) the payment of such additional loans or advances as hereafter may be made to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Trust Deed; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided.

\*Note: Trustee must be a member of the Utah State Bar; a bank, building and loan association, or savings and loan association authorized to do business in Utah; a corporation authorized to do a trust business in Utah; or a title insurance or abstract company authorized to do such business in Utah.

#### TO PROTECT THE SECURITY OF THIS TRUST DEED, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting said property; not to commit or permit waster thereof; not to commit, suffer or permit any act upon said property in violation of law; to do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations

herein not excluding the general; and it the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property, Trustor further agrees:

- (a) To commence construction, promptly and to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Beneficiary, and
- (b) to allow Beneficiary to inspect said property at all times during construction.

Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

- To provide and maintain insurance, of such type or types and amounts as Beneficiary may require, on the improvements now existing or hereafter erected or placed on said property. Such insurance shall be carried in companies approved by Beneficiary with loss payable clauses in favor of and in form acceptable to Beneficiary. In event of loss, Trustor shall give immediate notice to Beneficiary, who may make proof of loss and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by beneficiary, at its option, to reduction of the indebtedness hereby secured or to the restoration or repair of the property damage.
- 3. To deliver to, pay for and maintain with Beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Beneficiary may require, including abstracts of title or policies of title insurance and any extensions or renewals thereof or supplements thereto.
- 4. To appear in and defend any action or proceeding, purporting to affect the security hereof, the title to said property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expense, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.
- 5. To pay at least 10 days before delinquency all taxes and assessments affecting said property, including all assessments upon water company stock and all rents, assessments and charges, and liens with interest on said property or any part thereof, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this Trust.
- 6. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights of powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefore, including cost of evidence of title, employ counsel, and pay his reasonable fees.
- 7. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate of ten per cent (10%) per annum until paid, and the repayment thereof shall be secured hereby.

#### IT IS MUTUALLY AGREED THAT:

- 8. Should said property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights or action and proceeds, including the proceeds of any policies of fire and other insurance affecting said property are hereby assigned to beneficiary, who may, after deducting therefrom all its expenses, including attorney's fees, apply the same on any indebtedness secured hereby. Trustor agrees to execute such further assignments of any compensations, award, damages, and rights of action and proceeds as Beneficiary or Trustee may require.
- 9. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the note for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any person for the payment of the indebtedness secured hereby, Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restrictions thereon; (c) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of said property. The grantee in any reconveyance may be described as "the person or persons entitled thereto", and the recitals therein of any matters or facts shall be conclusive proof of truthfulness thereof. Trustor agrees to pay reasonable Trustee's fees for any of the services mentioned in this paragraph.
- 10. As additional security, Trustor hereby assigns Beneficiary, during the continuance of these trusts, all rents, issues, royalties, and profits of the property affected by this Trust Deed and of any personal property located thereon. Until Trustor shall default in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Trustor shall have the right to collect all such rents, issues, royalties, and profits earned prior to default as they become due and payable. If Trustor shall default as aforesaid, Trustor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the property affected hereby, to collect all rents, royalties, issues, and profits. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or be construed to be an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option.
- 11. Upon any default by Trustor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court (Trustor hereby consenting to the appointment of Beneficiary as such receiver), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.
- 12. The entering upon and taking possession of said property the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- 13. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by beneficiary of any default shall not constitute a waiver of any other or subsequent default.

- Time is of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein said property or some part of parcel thereof is situated. Beneficiary also shall deposit with Trustee, the note and all documents evidencing expenditures secured hereby.
- After the lapse of such time as may then be required by law following the recordation of said notice of default and 15. notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property on the date and at the time and place designated in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Trustor to direct the order in which such property, if consisting of several known lots or parcels, shall be sold), at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale from time to time until it shall be completed and, in every case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale; provided, if the sale is postponed for longer than one day beyond the day designated in the notice of sale, notice thereof shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser its Deed conveying said property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (1) the costs and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorney's fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at 10% per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the County Clerk of the county in which the sale took place.
- 16. Upon the occurrence of any default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Trust Deed in the manner provided by law for the foreclosure of mortgages on real property and Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court.
- 17. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which said property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.
- This Trust Deed shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisee, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledge, of the note secured hereby. In this Trust Deed, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 19. Trustees accepts this Trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Trust Deed or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

- 20. This Trust Deed shall be construed according to the laws of the State of Utah.
- 21. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder by mailed to him at the address hereinbefore set forth.

#### Signature of Trustor

Rock Creek Gypsum L.L.C., a Utah limited liability company

By:

Gay Bil-Manher

STATE OF UTAH

; :SS

COUNTY OF UTAH

Notary Public

